

Reprinted April 9, 1999

ENGROSSED SENATE BILL No. 481

DIGEST OF SB 481 (Updated April 8, 1999 7:13 pm - DI 02)

Citations Affected: IC 20-5.5; IC 20-7.5.

Synopsis: Charter schools. Allows a sponsor to issue a charter to a nonprofit organizer to establish a charter school. Defines a "sponsor" as the governing body of a school corporation. Sets forth the organization, powers, method of establishment, charter contents, policies, oversight, funding, and restrictions for charter schools. Allows the teachers of a charter school to organize and collectively bargain. Requires 100% of the teachers in a charter school to hold a license to teach in a public school. Provides that if a school corporation eliminates a teaching position in a noncharter school because of a charter school, the legal or contractual provisions, if any, otherwise applicable to a teacher continue to apply to that teacher. Provides a (Continued next page)

Effective: Upon passage.

Lubbers, Weatherwax, Rogers

(HOUSE SPONSORS — PORTER, SCHOLER)

January 19, 1999, read first time and referred to Committee on Education.

February 11, 1999, read first time and feferred to Committee on Edu February 11, 1999, amended, reported favorably — Do Pass. February 18, 1999, read second time, amended, ordered engrossed. February 19, 1999, engrossed. February 22, 1999, read third time, passed. Yeas 35, nays 14.

HOUSE ACTION
March 3, 1999, read first time and referred to Committee on Education.
April 6, 1999, amended, reported — Do Pass.
April 8, 1999, read second time, amended, ordered engrossed.



Digest Continued

procedure for the conversion of an existing public school to a charter school that includes teacher and parental approval. Allows two or more school corporations to jointly grant a charter to establish a regional charter school. Provides that no more than twenty charter schools may be established in Indiana, ten of which must be designed to increase educational opportunities for at risk students.





First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 1998 General Assembly.

ENGROSSED SENATE BILL No. 481

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

1	SECTION 1. IC 20-5.5 IS ADDED TO THE INDIANA CODE AS
2	A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON
3	PASSAGE]:
4	ARTICLE 5.5. CHARTER SCHOOLS
5	Chapter 1. Definitions
6	Sec. 1. The definitions in this chapter apply throughout this
7	article.
8	Sec. 2. "Board" refers to the Indiana state board of education
9	established by IC 20-1-1-1.
10	Sec. 3. "Charter" means a contract between an organizer and
11	a sponsor for the establishment of a charter school.
12	Sec. 4. "Charter school" means a public elementary school or
13	secondary school established under this article that:
14	(1) is nonsectarian and nonreligious;
15	(2) does not provide homeschool instruction;
16	(3) is not a virtual school; and



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1	(4) operates under a charter.
2	Sec. 5. "Department" refers to the department of education
3	established by IC 20-1-1.1-2.
4	Sec. 6. "Elementary school" has the meaning set forth in
5	IC 20-10.1-1-15.
6	Sec. 7. "Governing body" has the meaning set forth in
7	IC 20-5-1-3(b).
8	Sec. 8. "Homeschool instruction" means instruction that:
9	(1) a parent establishes, organizes, and directs for education
10	of the parent's child; and
11	(2) provides instruction equivalent to that given in the public
12	schools.
13	Sec. 9. "Organizer" refers to a nonprofit group or entity that
14	enters into a contract under this article to operate a charter school.
15	Sec. 10. "Parent" has the meaning set forth in IC 20-1-1.8-8.
16	Sec. 11. "Proposal" refers to a proposal from an organizer to
17	establish a charter school.
18	Sec. 12. "Public school" has the meaning set forth in
19	IC 20-10.1-1-2.
20	Sec. 13. "Regional charter school" means a charter school
21	established jointly by two (2) or more school corporations.
22	Sec. 14. "School corporation" has the meaning set forth in
23	IC 20-5-1-3(a).
24	Sec. 15. "Secondary school" refers to a high school (as defined
25	in IC 20-10.1-1-16).
26	Sec. 16. "Sponsor" means the following:
27	(1) For a charter school, a governing body.
28	(2) For a regional charter school, two (2) or more governing
29	bodies acting jointly.
30	Sec. 17. "Teacher" means a school employee (as defined in
31	IC 20-7.5-1-2(e)).
32	Chapter 2. Description
33	Sec. 1. A charter school may be established under this article to
34	provide innovative, research based, and autonomous programs
35	that do the following:
36	(1) Serve the different learning styles and needs of public
37	school students to better meet the needs of public school
38	students.
39	(2) Offer public school students appropriate and innovative
40	choices that have the potential to be replicated in other public
41	schools.
42	(3) Afford varied opportunities for professional educators.



1	(4) Allow public schools freedom and flexibility in exchange	
2	for exceptional levels of accountability.	
3	(5) Provide parents, students, community members, and local	
4	entities with an expanded opportunity for involvement in the	
5	public school system.	
6	Sec. 2. A charter school is subject to all federal and state laws	
7	and constitutional provisions that prohibit discrimination on the	
8	basis of the following:	
9	(1) Disability.	
10	(2) Race.	
11	(3) Color.	
12	(4) Gender.	
13	(5) National origin.	
14	(6) Religion.	
15	(7) Ancestry.	
16	Sec. 3. This article may not be construed to waive, modify, or	
17	otherwise affect the terms of a collective bargaining agreement	
18	negotiated under IC 20-7.5.	
19	Chapter 3. Establishment	
20	Sec. 1. A sponsor may grant a charter to an organizer to operate	
21	a charter school under this article.	II.
22	Sec. 2. A sponsor may grant a charter only to an organizer that	
23	is a nonprofit organization that meets the following requirements:	
24	(1) Education is a major purpose of the organization.	
25	(2) If the organization is a corporation, the organization is a	
26	nonprofit corporation under Section $501(c)(3)$ of the Internal	
27	Revenue Code.	
28	(3) The organization is not organized or operated for the	
29	private benefit or gain of any member, trustee, shareholder,	
30	employee, or associate. For purposes of this subdivision, the	
31	term "private benefit or gain" does not include reasonable	
32	compensation paid to an employee for work or services	
33	actually performed.	
34	(4) The organization's constitution, chapter, articles, or	
35	bylaws contain a clause that provides that upon dissolution all	
36	remaining assets shall be used for nonprofit educational	
37	purposes.	
38	Sec. 3. (a) An organizer may submit to the sponsor a proposal	
39	to establish a charter school.	
40	(b) A proposal must contain at least the following information:	
41	(1) Identification of the organizer.	
42	(2) A description of the organizer's organizational structure	



1	and governance plan.
2	(3) The following information for the proposed charter
3	school:
4	(A) Name.
5	(B) Purposes.
6	(C) Governance structure.
7	(D) Management structure.
8	(E) Educational mission goals.
9	(F) Curriculum and instructional methods.
10	(G) Methods of pupil assessment.
11	(H) Admission policy and criteria, subject to IC 20-5.5-5.
12	(I) School calendar.
13	(J) Age or grade range of pupils to be enrolled.
14	(K) A description of staff responsibilities.
15	(L) A description and the address of the physical plant.
16	(M) Budget and financial plans.
17	(N) Personnel plan, including methods for selection,
18	retention, and compensation of employees.
19	(O) Transportation plan.
20	(P) Discipline program.
21	(Q) Plan for compliance with any applicable desegregation
22	order.
23	(R) The date when the charter school is expected to:
24	(i) begin school operations; and
25	(ii) have students in attendance at the charter school.
26	(S) The arrangement for providing teachers and other staff
27	with health insurance, retirement benefits, liability
28	insurance, and other benefits.
29	(T) A proposed time line that identifies specific activities to
30	achieve the goals of the charter school.
31	(4) The manner in which an annual audit of the program
32	operations of the charter school is to be conducted by the
33	sponsor.
34	(c) Nothing in this section shall waive, limit, or modify the
35	provisions of IC 20-7.5.
36	Sec. 4. A sponsor that is the governing body of the school
37	corporation in which the proposed charter school is located must
38	comply with the following:
39	(1) Make available to the public copies of the charter school
40	application, or require the organizer to make copies available
41	to the public.
42	(2) Give notice under IC 5-3-1-2(b) of the public hearing



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1	required under this section.
2	(3) Hold a public hearing within reasonable geographic
3	proximity to the location of the proposed charter school, at
4	which testimony must be allowed from the organizer and
5	members of the public.
6	Sec. 5. (a) Except as provided in subsection (b), if a governing
7	body grants a charter to establish a charter school, the governing
8	body must provide a noncharter school that students of the same
9	age or grade levels may attend.
10	(b) The department may waive the requirement that a
11	governing body provide a noncharter school under subsection (a)
12	upon the request of the governing body.
13	Sec. 6. The sponsor may revoke the charter of a charter school
14	that does not, by the date specified in the charter:
15	(1) begin school operations; and
16	(2) have students in attendance at the charter school.
17	Sec. 7. Before granting a charter under which more than fifty
18	percent (50%) of the students in the school corporation will attend
19	a charter school, a governing body must receive the approval of the
20	department.
21	Sec. 8. (a) The sponsor must notify the department of the
22	following:
23	(1) The receipt of a proposal.
24	(2) The acceptance of a proposal.
25	(3) The rejection of a proposal, including the reasons for the
26	rejection, the number of members of the sponsor favoring the
27	proposal, and the number of members of the sponsor not
28	favoring the proposal.
29	(b) The department shall annually do the following:
30	(1) Compile the information received under subsection (a)
31	into a report.
32	(2) Submit the report to the general assembly.
33	Sec. 9. If a sponsor rejects a charter school proposal, the
34	organizer may amend the charter school proposal and resubmit the
35	proposal to the same sponsor.
36	Sec. 10. (a) A school that has qualified for the Indiana schools
37	academic improvement program under IC 20-1-1-6.3 may revise
38	its qualification plan for submission under this chapter as a charter
39	school proposal.
40	(b) If a charter school's charter meets the qualifications for the
41	Indiana schools academic improvement program under

IC 20-1-1-6.3 and if the organizer chooses to participate in the



1	program, the charter school may be designated an Indiana schools
2	academic improvement program school.
3	Chapter 4. The Charter
4	Sec. 1. A charter must do the following:
5	(1) Be a written instrument.
6	(2) Be executed by a sponsor and an organizer.
7	(3) Confer certain rights, franchises, privileges, and
8	obligations on a charter school.
9	(4) Confirm the status of a charter school as a public school.
10	(5) Be granted for:
11	(A) not less than three (3) years; and
12	(B) a fixed number of years agreed to by the governing
13	body and the organizer.
14	(6) Provide for:
15	(A) a review by the sponsor of the charter school's
16	performance, including the progress of the charter school
17	in achieving the academic goals set forth in the charter, at
18	least one (1) time in each five (5) year period while the
19	charter is in effect; and
20	(B) renewal, if the sponsor and the organizer agree to
21	renew the charter.
22	(7) Specify the grounds for the sponsor to:
23	(A) revoke the charter before the end of the term for which
24	the charter is granted; or
25	(B) not renew a charter.
26	(8) Set forth the methods by which the charter school is held
27	accountable for achieving the educational mission and goals
28	of the charter school, including the following:
29	(A) Evidence of improvement in assessment measures,
30	attendance rates, and graduation rates (if appropriate),
31	and increased numbers of academic honors diplomas.
32	(B) Evidence of progress toward reaching the educational
33	goals set by the sponsor.
34	(9) Describe the method to be used to monitor the charter
35	school's:
36	(A) compliance with applicable law; and
37	(B) performance in meeting targeted educational
38	performance.
39	(10) Specify that the sponsor and the organizer may amend
40	the charter during the term of the charter by mutual consent
41	and describe the process for amending the charter.
42	(11) Describe specific operating requirements, including all of



1	the matters set forth in the application for the charter.
2	(12) Specify a date when the charter school will:
3	(A) begin school operations; and
4	(B) have students in attendance at the charter school.
5	(13) Specify that records of a charter school relating to the
6	school's operation and charter are subject to inspection and
7	copying to the same extent that records of a public school are
8	subject to inspection and copying under IC 5-14-3.
9	(14) Specify that records provided by the charter school to the
10	department or sponsor that relate to compliance by the
11	operator with the terms of the charter or applicable state or
12	federal laws are subject to inspection and copying in
13	accordance with IC 5-14-3.
14	(15) Specify that the charter school is subject to the
15	requirements of IC 5-14-1.5.
16	Chapter 5. Student Admissions and Enrollment
17	Sec. 1. Except as provided in this chapter, a charter school must
18	be open to any student who resides in:
19	(1) the school corporation in which the charter school is
20	located, for a charter school sponsored by a single governing
21	body; or
22	(2) one (1) of the school corporations that sponsors a regional
23	charter school.
24	Sec. 2. Except as provided in this chapter, a charter school may
25	not establish admission policies or limit student admissions in any
26	manner in which a public school is not permitted to establish
27	admission policies or limit student admissions.
28	Sec. 3. (a) Except as provided in subsections (b) and (c), a
29	charter school must enroll any eligible student who submits a
30	timely application for enrollment.
31	(b) This subsection applies if the number of applications for a
32	program, class, grade level, or building exceeds the capacity of the
33	program, class, grade level, or building. If a charter school receives
34	a greater number of applications than there are spaces for
35	students, each timely applicant must be given an equal chance of
36	being admitted.
37	(c) A charter school may limit new admissions to the charter
38	school to:
39	(1) ensure that a student who attends the charter school
40	during a school year may continue to attend the charter
41	school in subsequent years; and
42	(2) allow the siblings of a student who attends a charter school



1	to attend the charter school.
2	Sec. 4. A charter school shall periodically provide information
3	to the parents of students in the school corporation concerning the
4	opportunity for students to enroll in the charter school. The
5	charter school shall design and deliver this information in a
6	manner to reach the parents of all students, including at risk
7	students.
8	Sec. 5. (a) This section applies to a student who does not have
9	legal settlement (as defined in IC 20-8.1-1-7.1) in a school
10	corporation that is the sponsor of a charter school or a regional
11	charter school that the student's parent wishes the student to
12	attend.
13	(b) A student may enroll in any charter school or regional
14	charter school in Indiana if the following requirements are met:
15	(1) The student's parent does the following:
16	(A) Requests that the student be admitted to enroll in the
17	charter school or regional charter school.
18	(B) Agrees to provide and pay for transportation of the
19	student to and from the charter school or regional charter
20	school.
21	(2) The following jointly agree to enroll the student in the
22	charter school or regional charter school:
23	(A) The governing body of the school corporation where
24	the student has legal settlement.
25	(B) The governing body of the school corporation that
26	sponsors the charter school or regional charter school.
27	(C) The principal of the charter school or regional charter
28	school.
29	(c) The following apply to a student described in subsection (a):
30	(1) A school corporation is not required to provide
31	transportation for the student to attend the charter school or
32	regional charter school.
33	(2) Neither the student nor the student's parent is required to
34	pay transfer tuition for the student to attend the charter
35	school or regional charter school.
36	(3) The transferor school corporation in which the student has
37	legal settlement shall pay the student's transfer tuition to the
38	charter school.
39	(4) A transfer becomes effective on a date jointly determined
40	by the parent and the affected school corporations.
41	Chapter 6. Employment
42	Sec. 1. (a) Teachers who work at a charter school are employees



1	of the charter school.
2	(b) A charter school may contract for services only to the same
3	extent that any other public school may contract for services.
4	Sec. 2. Individuals shall choose to be teachers at a charter school
5	voluntarily, and a charter school shall choose such individuals to
6	be its teachers voluntarily.
7	Sec. 3. Teachers of a charter school may organize and bargain
8	collectively under IC 20-7.5.
9	Sec. 4. Teachers in a charter school are:
.0	(1) a part of the bargaining unit of the sponsor; and
.1	(2) subject to all the provisions of the collective bargaining
.2	agreement.
.3	Sec. 5. Not less than one hundred percent (100%) of the teachers
4	in a charter school must hold a license to teach in a public school.
.5	Sec. 6. (a) A charter school shall participate in the following:
.6	(1) The Indiana state teachers' retirement fund in accordance
7	with IC 21-6.1.
.8	(2) The public employees' retirement fund in accordance with
9	IC 5-10.3.
20	(b) A person who teaches in a charter school is a member of the
21	Indiana state teachers' retirement fund. Service in a charter school
22	is creditable service for purposes of IC 21-6.1.
23	(c) A person who:
24	(1) is a local school employee of a charter school; and
25	(2) is not eligible to participate in the Indiana state teachers'
26	retirement fund;
27	is a member of the public employees' retirement fund.
28	(d) The boards of the Indiana state teachers' retirement fund
29	and the public employees' retirement fund shall implement this
80	section through the organizer of the charter school.
31	Sec. 7. The decision by a sponsor whether to grant a charter is
32	subject to restraint by the collective bargaining agreement.
33	Sec. 8. As a school corporation grants a charter to a charter
34	school and individuals choose and are chosen by the charter school
35	to teach in the charter school, the school corporation may make
86	personnel adjustments among its teachers in its noncharter schools
37	that it believes are necessary or appropriate to match existing
88	resources with existing needs in its noncharter schools. If, as part
89	of such adjustments, the school corporation eliminates a teaching
10	position within the corporation, the legal or contractual provisions,

if any, otherwise applicable to a teacher in one (1) of its noncharter

schools whose contract with the school corporation is canceled as



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1	a result of the elimination of the position within the school
2	corporation shall continue to apply to that teacher.
3	Sec. 9. The governing body must grant a transfer of not more
4	than five (5) years to a teacher of a noncharter school in the school
5	corporation who wishes to teach and has been accepted to teach at
6	a charter school within the school corporation or a regional
7	charter school of which the governing body is a sponsor. During
8	the term of the transfer:
9	(1) the teacher's seniority status under law continues as if the
10	teacher were an employee of a noncharter school in the school
11	corporation; and
12	(2) the teacher's years as a charter school employee shall not
13	be considered for purposes of permanent or semipermanent
14	status with the school corporation under IC 20-6.1-4.
15	Chapter 7. Fiscal Matters
16	Sec. 1. (a) The organizer is the fiscal agent for the charter
17	school.
18	(b) The organizer has exclusive control of:
19	(1) funds received by the charter school; and
20	(2) financial matters of the charter school.
21	(c) The organizer shall maintain separate accountings of all
22	funds received and disbursed by the charter school.
23	Sec. 2. For purposes of computing:
24	(1) state tuition support; or
25	(2) state funding for any purpose;
26	a charter school student is counted in the same manner as a student
27	of the school corporation where the charter school student resides.
28	Sec. 3. (a) This section applies to a charter school that has a
29	governing body as sponsor of the school.
30	(b) The governing body shall distribute the following to the
31	organizer:
32	(1) A proportionate share of tuition support and any other
33	funding received from the state for the students enrolled in
34	the charter school.
35	(2) A proportionate share of state and federal funds received
36	for students with disabilities or staff services for students with
37	disabilities for the students with disabilities enrolled in the
38	charter school.
39	(3) A proportionate share of funds received under federal or
40	state categorical aid programs for students who are eligible
41	for the federal or state aid enrolled in the charter school.
42	(4) A proportionate share of local support for the students



1	enrolled in the charter school.
2	Sec. 4. (a) Not later than the date established by the department
3	for determining average daily membership under
4	IC 21-3-1.6-1.1(d), the organizer shall submit to the governing
5	body of the school corporation in which the charter school is
6	located a report of the total number of students enrolled in the
7	charter school. Upon receipt of the report, the governing body shall
8	distribute to the organizer a proportionate share of federal, state,
9	and local support for the students enrolled in the charter school on
10	the same schedule that the school corporation receives the funds or
11	on a schedule agreed to by the sponsor and the organizer.
12	(b) This subsection applies to a regional charter school. The
13	governing body of the school corporation in which the charter
14	school is located shall assess the other sponsoring governing bodies
15	an amount equal to the approved per pupil revenues for the
16	students of the other school corporations that attend the regional
17	charter school. The other sponsoring governing bodies shall
18	transfer the revenues to the governing body of the school
19	corporation in which the charter school is located on the same
20	schedule as the sponsoring school corporations receive the revenue
21	or on a schedule agreed to by the sponsoring governing bodies.
22	Sec. 5. Services that a school corporation provides to a charter
23	school, including transportation, may be provided at not more than
24	one hundred three percent (103%) of the actual cost of the services.
25	Sec. 6. An organizer may apply for and accept for a charter
26	school:
27	(1) independent financial grants; or
28	(2) funds from public or private sources other than the
29	department.
30	Chapter 8. Powers and Exemptions
31	Sec. 1. A charter school may do the following:
32	(1) Sue and be sued in its own name.
33	(2) For educational purposes, acquire real and personal
34	property or an interest in real and personal property by
35	purchase, gift, grant, devise, or bequest.
36	(3) Convey property.
37	(4) Enter into contracts in its own name, including contracts
38	for services.
39	Sec. 2. A charter school may not do the following:
40	(1) Operate at a site or for grades other than as specified in
41	the charter.

 $(2) \ Charge \ tuition \ to \ any \ student \ attending \ the \ charter \ school$



1	that is in excess of the tuition currently allowed under law, or
2	impose any mandatory fees upon a student enrolled in the
3	charter school in preschool special education or in
4	kindergarten through grade 12. However, a charter school
5	may:
6	(A) charge fees for the same items or services that a
7	noncharter public school in the school corporation in
8	which the charter school is located may charge fees; and
9	(B) charge tuition for:
10	(i) a preschool program, unless charging tuition for the
11	preschool program is barred under federal law; or
12	(ii) a latch key program;
13	if the charter school provides those programs.
14	(3) Be located in a private residence.
15	(4) Provide homeschool instruction.
16	Sec. 3. For each charter school established under this article, the
17	charter school and the organizer are accountable to the sponsor for
18	ensuring compliance with:
19	(1) applicable federal and state laws;
20	(2) the charter; and
21	(3) the Constitution of the State of Indiana.
22	Sec. 4. Except as specifically provided in this article and the
23	statutes listed in section 5 of this chapter, the following do not
24	apply to a charter school:
25	(1) Any Indiana statute applicable to a governing body or
26	school corporation.
27	(2) A rule or guideline adopted by the Indiana state board of
28	education.
29	(3) A local regulation or policy adopted by a school
30	corporation unless specifically incorporated in the charter.
31	Sec. 5. The following statutes and rules and guidelines adopted
32	under the following statutes apply to a charter school:
33	(1) IC 20-1-1.5 (unified accounting system).
34	(2) IC 20-1-6 (special education).
35	(3) IC 20-5-2-3 (subject to laws requiring regulation by state
36	and federal agencies).
37	(4) IC 20-6.1-4-15 (void teacher contract when two (2)
38	contracts are signed).
39	(5) IC 20-6.1-6-11 (nondiscrimination for teacher marital
40	status).
41	(6) IC 20-6.1-6-13 (teacher freedom of association).
42	(7) IC 20-6.1-6-15 (school counselor immunity).



1	(8) IC 20-8.1-3 (compulsory education).
2	(9) IC 20-8.1-5.1-13, IC 20-8.1-5.1-15, and IC 20-8.1-5.1-15.5
3	(student due process and judicial review).
4	(10) IC 20-8.1-7 and IC 20-8.1-8 (health and safety measures).
5	(11) IC 20-8.1-9-3 (exemption from school fees for eligible
6	families and fee reimbursement).
7	(12) IC 20-8.1-9-5 (notice to parents concerning financial
8	assistance).
9	(13) IC 20-8.1-12 (reporting of student violations of law).
10	(14) IC 20-10.1-2-4 and IC 20-10.1-2-6 (patriotic
11	commemorative observances).
12	(15) IC 20-10.1-16, IC 20-10.1-17, or any other statute, rule,
13	or guideline related to standardized testing (assessment
14	programs, including remediation under the assessment
15	programs).
16	(16) IC 20-10.1-22.4 (parental access to education records).
17	(17) IC 5-11-1-9 (requiring audit by state board of accounts).
18	Sec. 6. A charter school is subject to bidding and wage
19	determination laws and all other statutes and rules that apply to
20	the construction of a public school.
21	Sec. 7. A charter school may not duplicate the following
22	programs if the programs are established in another school in the
23	school corporation:
24	(1) A cooperative program established under IC 20-10.1-6-7.
25	(2) An apprenticeship program other than the program
26	specified in subdivision (1).
27	Chapter 9. Oversight and Revocation
28	Sec. 1. An organizer that has established a charter school shall
29	submit an annual report to the department for informational and
30	research purposes.
31	Sec. 2. An annual report under this chapter must contain the
32	following information for a charter school:
33	(1) Results of all standardized testing.
34	(2) A description of the educational methods and teaching
35	methods employed.
36	(3) Daily attendance records.
37	(4) Graduation statistics.
38	(5) Student enrollment data, including the following:
39	(A) The number of students enrolled.
40	(B) The number of students expelled.
41	(C) The number of students who discontinued attendance
12.	at the charter school and the reasons for the



1	discontinuation.	
2	Sec. 3. The sponsor shall oversee a charter school's compliance	
3	with:	
4	(1) the charter; and	
5	(2) all applicable law.	
6	Sec. 4. Notwithstanding the provisions of the charter, a sponsor	
7	that grants a charter may revoke the charter at any time before the	
8	expiration of the term of the charter if the sponsor determines that	
9	at least one (1) of the following occurs:	
.0	(1) The organizer fails to comply with the conditions	
.1	established in the charter.	
2	(2) The charter school established by the organizer fails to	
.3	meet the educational goals set forth in the charter.	
4	(3) The organizer fails to comply with all applicable laws.	
.5	(4) The organizer fails to meet generally accepted government	
6	accounting principles.	
7	(5) One (1) or more grounds for revocation exist as specified	
8	in the charter.	
9	Sec. 5. A charter school shall report the following to the	
20	sponsor:	
21	(1) Attendance records.	
22	(2) Student performance data.	
23	(3) Financial information.	
24	(4) Any information necessary to comply with state and	
25	federal government requirements.	
26	(5) Any other information specified in the charter.	
27	Sec. 6. The organizer of a charter school shall publish an annual	
28	performance report that provides the information required under	`
29	IC 20-1-21-8 in the same manner that a school corporation	
80	publishes an annual report under IC 20-1-21.	
31	Chapter 10. Student Transfers From Charter Schools	
32	Sec. 1. A public noncharter school that receives a transfer	
33	student from a charter school may not discriminate against the	
34	student in any way, including placing the student:	
35	(1) in an inappropriate age group according to the student's	
36	ability;	
37	(2) below the student's abilities; or	
88	(3) in a class where the student has already mastered the	
89	subject matter.	
10	Chapter 11. Conversion of Existing Schools Into Charter	
1	Schools	
12.	Sec. 1. An existing public elementary or secondary school may	



1	be converted into a charter school if the following conditions apply:	
2	(1) At least sixty-seven percent (67%) of the teachers at the	
3	school have signed a petition requesting the conversion.	
4	(2) At least fifty-one percent (51%) of the parents of students	
5	at the school have signed a petition requesting the conversion.	
6	Sec. 2. The organizers shall submit a proposal under IC 20-5.5-3	
7	to convert an existing school to a charter school.	
8	Sec. 3. A conversion charter school must permit the parents of	
9	a student who was enrolled in the school before the school's	
10	conversion to a charter school to:	
11	(1) remain in the school; or	
12	(2) enroll in another school in the school corporation.	
13	Chapter 12. Regional Charter Schools	
14	Sec. 1. The governing bodies of two (2) or more school	
15	corporations may grant a charter to an organizer to operate a	
16	regional charter school under this article.	
17	Sec. 2. An organizer may submit to the governing bodies of two	
18	(2) or more school corporations a proposal to establish a regional	
19	charter school. A proposal must contain, at a minimum, the	
20	following information:	
21	(1) Identification of the organizer.	
22	(2) A description of the organizer's organizational structure	
23	and governance plan.	
24	(3) The following information for the proposed regional	
25	charter school:	
26	(A) Name.	
27	(B) Purposes.	
28	(C) Governance structure.	
29	(D) Management structure.	
30	(E) Educational mission goals.	
31	(F) Curriculum and instructional methods.	
32	(G) Methods of pupil assessment.	
33	(H) Admission policy and criteria, subject to IC 20-5.5-5.	
34	(I) School calendar.	
35	(J) Age or grade range of pupils to be enrolled.	
36	(K) A description of staff responsibilities.	
37	(L) A description and the address of the physical plant.	
38	(M) Budget and financial plans.	
39	(N) Personnel plan, including methods for selection,	
40	retention, and compensation of employees.	
41	(O) Transportation plan.	
42	(P) Discipline program.	



1	(Q) Plan for compliance with any applicable desegregation
2	order.
3	(R) The date when the regional charter school is expected
4	to:
5	(i) begin school operations; and
6	(ii) have students in attendance at the regional charter
7	school.
8	(\mathbf{S}) The arrangement for providing teachers and other staff
9	with health insurance, retirement benefits, liability
10	insurance, and other benefits.
11	(T) A proposed time line that identifies specific activities to
12	achieve the goals of the charter school.
13	(4) A statement that the regional charter school will comply
14	with:
15	(A) this article; and
16	(B) federal and state laws applicable to public bodies or
17	school corporations.
18	(5) Identification of the school corporation where the regional
19	charter school will be located.
20	(6) The compensation that the school corporations shall pay
21	to the organizer, including the percentage of compensation
22	provided by each school corporation.
23	(7) The manner in which an annual audit of the programmatic
24	operations of the regional charter school is to be conducted by
25	the governing bodies.
26	Sec. 3. (a) The governing bodies of each school corporation that
27	has granted a charter for a regional charter school must act jointly
28	to revoke the charter of a regional charter school that does not by
29	the date specified in the charter:
30	(1) begin school operations; and
31	(2) have students in attendance at the regional charter school.
32	(b) If the governing body of one (1) school corporation that has
33	granted a charter for a regional charter school wishes to cease
34	participation in a regional charter school, the governing bodies of
35	the school corporations that wish to continue participation in a
36	regional charter school must grant a new charter to an organizer
37	to operate a regional charter school under this article.
38	Sec. 4. (a) Each governing body must notify the department of
39	the following concerning a regional charter school:
40	(1) The receipt of a proposal.
41	(2) The acceptance of a proposal.
12	(3) The rejection of a proposal, including the reasons for the



1	rejection, the number of members of the governing body
2	favoring the proposal, and the number of members of the
3	governing body not favoring the proposal.
4	(b) The department shall annually do the following:
5	(1) Compile the information received under subsection (a)
6	into a report.
7	(2) Submit the report to the general assembly.
8	Sec. 5. A proposal to establish a regional charter school must be
9	approved by a majority of the members of each governing body to
10	which the proposal was submitted.
11	Sec. 6. A governing body must include a regional charter school
12	in which the school corporation participates when complying with
13	public notice requirements affecting public schools.
14	Chapter 13. Limitations on Establishing Charter Schools
15	Sec. 1. In establishing charter schools, a governing body shall
16	give priority to the consideration of applications for charter
17	schools designed to increase the educational opportunities of
18	at-risk students.
19	Sec. 2. The following limitations apply to the number of charter
20	schools that may be established:
21	(1) Not more than ten (10) charters may be granted before
22	January 1, 2001, and not more than ten (10) additional
23	charters may be granted before January 1, 2002.
24	(2) Not more than twenty (20) charter schools may be
25	established in Indiana. Of the twenty (20) charter schools, at
26	least ten (10) must be designed to increase the educational
27	opportunities of at-risk students.
28	(3) Not more than two (2) charter schools may be established
29	in a school corporation that has an average daily membership
30	of twenty thousand (20,000) students or less.
31	(4) Not more than four (4) charter schools may be established
32	in a school corporation that has an average daily membership
33	of more than twenty thousand (20,000) students.
34	Sec. 3. This chapter does not prohibit a school corporation that
35	has only one (1) school in the school corporation from granting a
36	charter to convert the school into a charter school.
37	Sec. 4. (a) A governing body that grants a charter school
38	application shall report the action to the department and specify
39	whether the charter school is designed to increase the educational
40	opportunities of at-risk students.
41	(b) The department shall promptly notify the governing body of

each school corporation when the limits on the number of charter



1	schools set forth in this chapter are reached.
2	SECTION 2. IC 20-7.5-1-2 IS AMENDED TO READ AS
3	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this
4	chapter:
5	(a) "School corporation" means any local public school corporation
6	established under Indiana law and, in the case of public vocational
7	schools or schools for children with disabilities established or
8	maintained by two (2) or more school corporations, shall refer to such
9	schools.
10	(b) "Governing body" shall mean: means:
11	(1) the board or commission charged by law with the
12	responsibility of administering the affairs of the school
13	corporation; or
14	(2) the body that administers a charter school established
15	under IC 20-5.5.
16	(c) "School employer" means:
17	(1) the governing body of each:
18	(A) school corporation; or
19	(B) charter school established under IC 20-5.5; and
20	(2) any person or persons authorized to act for the governing body
21	of the school employer in dealing with its employees.
22	(d) "Superintendent" shall mean:
23	(1) the chief administrative officer of any:
24	(A) school corporation; or
25	(B) charter school established under IC 20-5.5; or
26	(2) any person or persons designated by the officer or by the
27	governing body to act in the officer's behalf in dealing with school
28	employees.
29	(e) "School employee" means any full time certificated person in the
30	employment of the school employer. A school employee shall be
31	considered full time even though the employee does not work during
32	school vacation periods, and accordingly works less than a full year.
33	There shall be excluded from the meaning of school employee
34	supervisors, confidential employees, employees performing security
35	work and noncertificated employees.
36	(f) "Certificated employee" means a person:
37	(1) whose contract with the school corporation requires that he
38	the person hold a license or permit from the state board of
39	education or a commission thereof as provided in IC 20-6.1; or
40	(2) employed as a teacher by a charter school established
41	under IC 20-5.5.
42	(g) "Noncertificated employee" means any school employee whose



1	employment is not dependent upon the holding of a license or permit
2	as provided in IC 20-6.1.
3	(h) "Supervisor" means any individual who has:
4	(1) authority, acting for the school corporation, to hire, transfer,
5	suspend, lay off, recall, promote, discharge, assign, reward, or
6	discipline school employees;
7	(2) responsibility to direct school employees and adjust their
8	grievances; or
9	(3) responsibility to effectively recommend the action described
10	in subsections subdivision (1) through (2);
11	that is not of a merely routine or clerical nature but requires the use of
12	independent judgment. The term includes superintendents, assistant
13	superintendents, business managers and supervisors, directors with
14	school corporationwide responsibilities, principals and vice principals,
15	and department heads who have responsibility for evaluating teachers.
16	(i) "Confidential employee" means a school employee whose
17	unrestricted access to confidential personnel files or whose functional
18	responsibilities or knowledge in connection with the issues involved in
19	dealings between the school corporation and its employees would make
20	the confidential employee's membership in a school employee
21	organization incompatible with the employee's official duties.
22	(j) "Employees performing security work" means any school
23	employee whose primary responsibility is the protection of personal
24	and real property owned or leased by the school corporation or who
25	performs police or quasipolice powers.
26	(k) "School employee organization" means any organization which
27	has school employees as members and one (1) of whose primary
28	purposes is representing school employees in dealing with their school
29	employer, and includes any person or persons authorized to act on
30	behalf of such organizations.
31	(l) "Exclusive representative" means the school employee
32	organization which has been certified for the purposes of this chapter
33	by the board or recognized by a school employer as the exclusive
34	representative of the employees in an appropriate unit as provided in
35	section 10 of this chapter, or the person or persons duly authorized to
36	act on behalf of such representative.
37	(m) "Board" means the Indiana education employment relations
38	board provided by this chapter.
39	(n) "Bargain collectively" means the performance of the mutual
40	obligation of the school employer and the exclusive representative to
41	meet at reasonable times to negotiate in good faith with respect to items

enumerated in section 4 of this chapter and to execute a written



contract incorporating any agreement relating to such matters. Such obligation shall not include the final approval of any contract concerning these or any other items. Agreements reached through collective bargaining are binding as a contract only if ratified by the governing body of the school corporation and the exclusive representative. The obligation to bargain collectively does not require the school employer or the exclusive representative to agree to a proposal of the other or to make a concession to the other.

- (o) "Discuss" means the performance of the mutual obligation of the school corporation through its superintendent and the exclusive representative to meet at reasonable times to discuss, to provide meaningful input, to exchange points of view, with respect to items enumerated in section 5 of this chapter. This obligation shall not, however, require either party to enter into a contract, to agree to a proposal, or to require the making of a concession. A failure to reach an agreement on any matter of discussion shall not require the use of any part of the impasse procedure, as provided in section 13 of this chapter. Neither the obligation to bargain collectively nor to discuss any matter shall prevent any school employee from petitioning the school employer, the governing body, or the superintendent for a redress of the employee's grievances either individually or through the exclusive representative, nor shall either such obligation prevent the school employer or the superintendent from conferring with any citizen, taxpayer, student, school employee, or other person considering the operation of the schools and the school corporation.
- (p) "Strike" means concerted failure to report for duty, willful absence from one's position, stoppage of work, or abstinence in whole or in part from the full, faithful, and proper performance of the duties of employment, without the lawful approval of the school employer, or in any concerted manner interfering with the operation of the school employer for any purpose.
- (q) "Deficit financing" with respect to any budget year shall mean expenditures in excess of money legally available to the employer.

SECTION 3. An emergency is declared for this act.



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SENATE MOTION

Mr. President: I move that Senator Weatherwax be added as coauthor of Senate Bill 481.

LUBBERS

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COMMITTEE REPORT

Mr. President: The Senate Committee on Education, to which was referred Senate Bill No. 481, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 25, delete "an" and insert "a state educational".

Page 2, line 25, delete "of higher learning" and insert "(as defined in IC 20-12-0.5-1)".

Page 2, line 27, delete "an individual who is:" and insert "a private college or university with an accredited school of education if the private college or university has received the approval of the board to act as a sponsor."

Page 2, delete lines 28 through 30.

Page 3, delete line 36.

Page 3, line 37, delete "(K)" and insert "(J)".

Page 3, line 38, delete "(L)" and insert "(K)".

Page 3, line 39, delete "(M)" and insert "(L)".

Page 3, line 40, delete "(N)" and insert "(M)".

Page 3, line 41, delete "(O)" and insert "(N)".

Page 4, line 1, delete "(P)" and insert "(O)".

Page 4, line 2, delete "(Q)" and insert "(P)".

Page 4, line 3, delete "(R)" and insert "(Q)".

Page 4, line 5, delete "(S)" and insert "(R)".

Page 4, line 8, delete "(T)" and insert "(S)".

Page 4, line 13, delete "governing body" and insert "sponsor".

Page 4, between lines 23 and 24, begin a new line block indented and insert:

"(3) Give notice under IC 5-3-1-2(b) of the public hearing required under this section.".

Page 4, line 24, delete "(3)" and insert "(4)".

Page 4, line 27, delete "(4)" and insert "(5)".

Page 4, line 32, delete "(5)" and insert "(6)".

Page 4, between lines 40 and 41, begin a new line block indented and insert:

"(2) Give notice under IC 5-3-1-2(b) of the public hearing required under this section.".

Page 4, line 41, delete "(2)" and insert "(3)".

Page 5, between lines 34 and 35, begin a new paragraph and insert:

"Sec. 10. A school that has qualified for the Indiana schools academic improvement program under IC 20-1-1-6.3 may revise its qualification plan for submission under this chapter as a charter







school proposal.".

Page 6, line 4, after "for" insert ":

(A) a review by the sponsor of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect; and (B)".

Page 7, line 9, delete "subsection (b)" and insert "**subsections (b)** and (c)".

Page 7, delete lines 18 through 20, begin a new paragraph and insert:

- "(c) A charter school may limit new admissions to the charter school to:
 - (1) ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years; and
 - (2) allow the siblings of a student who attends a charter school to attend the charter school.".

Page 7, line 33, delete "seventy-five percent (75%)" and insert "eighty percent (80%)".

Page 7, between lines 35 and 36, begin a new line block indented and insert:

"(3) A teacher who teaches in a core curriculum area of language arts, mathematics, science, or social studies must hold a license to teach in a public school."

Page 7, line 36, delete "(3)" and insert "(4)".

Page 7, line 36, delete "twenty-five percent (25%)" and insert "twenty percent (20%)".

Page 7, line 40, delete "and that are either:" and insert ".".

Page 7, delete lines 41 through 42.

Page 8, delete line 1.

Page 8, line 2, delete "(4)" and insert "(5)".

Page 8, line 2, delete "(3)" and insert "(4)".

Page 8, line 7, delete "(5)" and insert "(6)".

Page 8, line 34, delete "school corporation" and insert "sponsor".

Page 9, delete lines 31 through 42, begin a new paragraph and insert:

- "Sec. 3. (a) This section applies to a charter school that has a governing body as sponsor of the school.
- (b) The governing body shall distribute the following to the organizer:

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- (1) A proportionate share of tuition support and any other funding received from the state for the students enrolled in the charter school.
- (2) A proportionate share of state and federal funds received for students with disabilities or staff services for students with disabilities for the students with disabilities enrolled in the charter school.
- (3) A proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state aid enrolled in the charter school.
- (4) A proportionate share of local support for the students enrolled in the charter school.
- Sec. 4. (a) This section applies to a charter school that has a sponsor that is not the governing body of the school corporation in which the charter school is located.
- (b) The department shall distribute the following to the organizer:
 - (1) Tuition support and other state funding for any purpose for students in the charter school.
 - (2) A proportionate share of state and federal funds received for students with disabilities or staff services for students with disabilities for the students with disabilities enrolled in the charter school.
 - (3) A proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state aid enrolled in the charter school.
- (c) Not later than the date established by the department for determining average daily membership under IC 21-3-1.6-1.1(d), the organizer shall submit to the governing body of the school corporation in which the charter school is located a report of the total number of students enrolled in the charter school. Upon receipt of the report, the governing body shall distribute to the organizer a proportionate share of local support for the students enrolled in the charter school."

Page 10, delete lines 1 through 2.

Page 10, line 3, delete "6." and insert "5.".

Page 10, line 4, delete "must" and insert "may".

Page 10, line 7, delete "7." and insert "6.".

Page 11, between lines 21 and 22, begin a new line block indented and insert:

"(9) IC 20-8.1-5.1-13, IC 20-8.1-5.1-15, and IC 20-8.1-5.1-15.5 (student due process and judicial review)."









Page 11, line 22, delete "(9)" and insert "(10)".

Page 11, line 23, delete "(10)" and insert "(11)".

Page 11, line 25, delete "(11)" and insert "(12)".

Page 11, line 27, delete "(12)" and insert "(13)".

Page 11, line 28, delete "(13)" and insert "(14)".

Page 11, line 30, delete "(14)" and insert "(15)".

Page 11, line 34, delete "(15)" and insert "(16)".

Page 11, line 35, delete "(16)" and insert "(17)".

Page 12, between lines 35 and 36, begin a new paragraph and insert:

"Sec. 6. The organizer of a charter school shall publish an annual performance report that provides the information required under IC 20-1-21-8 in the same manner that a school corporation publishes an annual report under IC 20-1-21."

Page 13, line 7, delete "fifty percent (50%)" and insert "**fifty-one** percent (51%)".

Page 13, line 9, delete "fifty percent (50%)" and insert "**fifty-one** percent (51%)".

and when so amended that said bill do pass.

(Reference is to SB 481 as introduced.)

WEATHERWAX, Chairperson

Committee Vote: Yeas 7, Nays 4.

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SENATE MOTION

Mr. President: I move that Senate Bill 481 be amended to read as follows:

Page 2, line 23, delete ":" and insert "a governing body.".

Page 2, delete lines 24 through 30.

(Reference is to SB 481 as printed February 12, 1999.)

BOWSER

SENATE MOTION

Mr. President: I move that Senate Bill 481 be amended to read as follows:

Page 8, delete lines 5 through 30, begin a new paragraph and insert:

"Sec. 4. Not less than one hundred percent (100%) of the teachers in a charter school must hold a license to teach in a public school."

(Reference is to Senate Bill 481 as printed February 12, 1999.)

BREAUX

SENATE MOTION

Mr. President: I move that Senate Bill 481 be amended to read as follows:

Page 5, after line 41 and before line 42, begin a new paragraph and insert:

"Sec. 11. (a) This section applies if:

- (1) a governing body rejects a proposal; and
- (2) at least one-third (1/3) of the members of the governing body favor the proposal.
- (b) The organizer may appeal the decision of the governing body to the charter school review panel created under subsection (c).
- (c) The charter school review panel is created. The members of the panel are the superintendent of public instruction and two (2) members of the board who are appointed by the superintendent of public instruction.
- (d) Upon the request of an organizer, the panel shall meet to consider the organizer's proposal and the governing body's reasons for rejecting the proposal. The panel must allow the organizer and

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governing body to participate in the meeting.

- (e) Following a meeting under subsection (d), the panel shall issue an opinion to the organizer and the governing body that:
 - (1) supports the governing body's rejection of the proposal;
 - (2) recommends that the governing body approve the proposal; or
 - (3) recommends that the organizer amend the proposal and the governing body approve the amended proposal.

The panel shall issue the opinion not later than forty-five (45) days after the panel receives the request for review.

- (f) Not later than forty-five (45) days after:
 - (1) receiving a recommendation from the panel to approve a proposal; or
 - (2) receiving an amended plan from the organizer that complies with a recommendation of the panel;

the governing body shall reconsider the proposal's rejection. The decision of the charter school review panel is final and binding.".

(Reference is to SB 481 as reprinted February 12, 1999.)

SIPES





SENATE MOTION

Mr. President: I move that Senator Rogers be added as coauthor of Senate Bill 481.

LUBBERS

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 481, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 15, begin a new paragraph and insert: "SECTION 1. IC 20-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 5.5. CHARTER SCHOOLS

Chapter 1. Definitions

- Sec. 1. The definitions in this chapter apply throughout this article.
- Sec. 2. "Board" refers to the Indiana state board of education established by IC 20-1-1-1.
- Sec. 3. "Charter" means a contract between an organizer and a sponsor for the establishment of a charter school.
- Sec. 4. "Charter school" means a public elementary school or secondary school established under this article that:
 - (1) is nonsectarian and nonreligious;
 - (2) does not provide homeschool instruction;
 - (3) is not a virtual school; and
 - (4) operates under a charter.
- Sec. 5. "Department" refers to the department of education established by IC 20-1-1.1-2.
- Sec. 6. "Elementary school" has the meaning set forth in IC 20-10.1-1-15.
- Sec. 7. "Governing body" has the meaning set forth in IC 20-5-1-3(b).
 - Sec. 8. "Homeschool instruction" means instruction that:
 - (1) a parent establishes, organizes, and directs for education of the parent's child; and
 - (2) provides instruction equivalent to that given in the public schools.
- Sec. 9. "Organizer" refers to a nonprofit group or entity that enters into a contract under this article to operate a charter school.
 - Sec. 10. "Parent" has the meaning set forth in IC 20-1-1.8-8.
- Sec. 11. "Proposal" refers to a proposal from an organizer to establish a charter school.
- Sec. 12. "Public school" has the meaning set forth in IC 20-10.1-1-2.
 - Sec. 13. "Regional charter school" means a charter school

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established jointly by two (2) or more school corporations.

Sec. 14. "School corporation" has the meaning set forth in IC 20-5-1-3(a).

Sec. 15. "Secondary school" refers to a high school (as defined in IC 20-10.1-1-16).

Sec. 16. "Sponsor" means the following:

- (1) For a charter school, a governing body.
- (2) For a regional charter school, two (2) or more governing bodies acting jointly.

Sec. 17. "Teacher" means a school employee (as defined in IC 20-7.5-1-2(e)).

Chapter 2. Description

- Sec. 1. A charter school may be established under this article to provide innovative, research based, and autonomous programs that do the following:
 - (1) Serve the different learning styles and needs of public school students to better meet the needs of public school students.
 - (2) Offer public school students appropriate and innovative choices that have the potential to be replicated in other public schools.
 - (3) Afford varied opportunities for professional educators.
 - (4) Allow public schools freedom and flexibility in exchange for exceptional levels of accountability.
 - (5) Provide parents, students, community members, and local entities with an expanded opportunity for involvement in the public school system.
- Sec. 2. A charter school is subject to all federal and state laws and constitutional provisions that prohibit discrimination on the basis of the following:
 - (1) Disability.
 - (2) Race.
 - (3) Color.
 - (4) Gender.
 - (5) National origin.
 - (6) Religion.
 - (7) Ancestry.
- Sec. 3. This article may not be construed to waive, modify, or otherwise affect the terms of a collective bargaining agreement negotiated under IC 20-7.5.

Chapter 3. Establishment

Sec. 1. A sponsor may grant a charter to an organizer to operate



a charter school under this article.

- Sec. 2. A sponsor may grant a charter only to an organizer that is a nonprofit organization that meets the following requirements:
 - (1) Education is a major purpose of the organization.
 - (2) If the organization is a corporation, the organization is a nonprofit corporation under Section 501(c)(3) of the Internal Revenue Code.
 - (3) The organization is not organized or operated for the private benefit or gain of any member, trustee, shareholder, employee, or associate. For purposes of this subdivision, the term "private benefit or gain" does not include reasonable compensation paid to an employee for work or services actually performed.
 - (4) The organization's constitution, chapter, articles, or bylaws contain a clause that provides that upon dissolution all remaining assets shall be used for nonprofit educational purposes.
- Sec. 3. (a) An organizer may submit to the sponsor a proposal to establish a charter school.
- (b) A proposal must contain at least the following information:
 - (1) Identification of the organizer.
 - (2) A description of the organizer's organizational structure and governance plan.
 - (3) The following information for the proposed charter school:
 - (A) Name.
 - (B) Purposes.
 - (C) Governance structure.
 - (D) Management structure.
 - (E) Educational mission goals.
 - (F) Curriculum and instructional methods.
 - (G) Methods of pupil assessment.
 - (H) Admission policy and criteria, subject to IC 20-5.5-5.
 - (I) School calendar.
 - (J) Age or grade range of pupils to be enrolled.
 - (K) A description of staff responsibilities.
 - (L) A description and the address of the physical plant.
 - (M) Budget and financial plans.
 - (N) Personnel plan, including methods for selection, retention, and compensation of employees.
 - (O) Transportation plan.
 - (P) Discipline program.









- (Q) Plan for compliance with any applicable desegregation order.
- (R) The date when the charter school is expected to:
 - (i) begin school operations; and
 - (ii) have students in attendance at the charter school.
- (S) The arrangement for providing teachers and other staff with health insurance, retirement benefits, liability insurance, and other benefits.
- (T) A proposed time line that identifies specific activities to achieve the goals of the charter school.
- (4) The manner in which an annual audit of the program operations of the charter school is to be conducted by the sponsor.
- (c) If the teachers in a charter school elect to organize and bargain collectively under IC 20-7.5, nothing in this section shall waive, limit, or modify the provisions of IC 20-7.5.
- Sec. 4. A sponsor that is the governing body of the school corporation in which the proposed charter school is located must comply with the following:
 - (1) Make available to the public copies of the charter school application, or require the organizer to make copies available to the public.
 - (2) Give notice under IC 5-3-1-2(b) of the public hearing required under this section.
 - (3) Hold a public hearing within reasonable geographic proximity to the location of the proposed charter school, at which testimony must be allowed from the organizer and members of the public.
- Sec. 5. (a) Except as provided in subsection (b), if a governing body grants a charter to establish a charter school, the governing body must provide a noncharter school that students of the same age or grade levels may attend.
- (b) The department may waive the requirement that a governing body provide a noncharter school under subsection (a) upon the request of the governing body.
- Sec. 6. The sponsor may revoke the charter of a charter school that does not, by the date specified in the charter:
 - (1) begin school operations; and
 - (2) have students in attendance at the charter school.
- Sec. 7. Before granting a charter under which more than fifty percent (50%) of the students in the school corporation will attend a charter school, a governing body must receive the approval of the











department.

- Sec. 8. (a) The sponsor must notify the department of the following:
 - (1) The receipt of a proposal.
 - (2) The acceptance of a proposal.
 - (3) The rejection of a proposal, including the reasons for the rejection, the number of members of the sponsor favoring the proposal, and the number of members of the sponsor not favoring the proposal.
 - (b) The department shall annually do the following:
 - (1) Compile the information received under subsection (a) into a report.
 - (2) Submit the report to the general assembly.
- Sec. 9. If a sponsor rejects a charter school proposal, the organizer may amend the charter school proposal and resubmit the proposal to the same sponsor.
- Sec. 10. (a) A school that has qualified for the Indiana schools academic improvement program under IC 20-1-1-6.3 may revise its qualification plan for submission under this chapter as a charter school proposal.
- (b) If a charter school's charter meets the qualifications for the Indiana schools academic improvement program under IC 20-1-1-6.3 and if the organizer chooses to participate in the program, the charter school may be designated an Indiana schools academic improvement program school.
 - Sec. 11. (a) This section applies if:
 - (1) a governing body rejects a proposal; and
 - (2) at least one-third (1/3) of the members of the governing body favor the proposal.
- (b) The organizer may appeal the decision of the governing body to the charter school review panel created under subsection (c).
- (c) The charter school review panel is created. The members of the panel are the superintendent of public instruction and two (2) members of the board who are appointed by the superintendent of public instruction.
- (d) Upon the request of an organizer, the panel shall meet to consider the organizer's proposal and the governing body's reasons for rejecting the proposal. The panel must allow the organizer and governing body to participate in the meeting.
- (e) Following a meeting under subsection (d), the panel shall issue an opinion to the organizer and the governing body that:
 - (1) supports the governing body's rejection of the proposal;



- (2) recommends that the governing body approve the proposal; or
- (3) recommends that the organizer amend the proposal and the governing body approve the amended proposal.

The panel shall issue the opinion not later than forty-five (45) days after the panel receives the request for review.

- (f) Not later than forty-five (45) days after:
 - (1) receiving a recommendation from the panel to approve a proposal; or
 - (2) receiving an amended plan from the organizer that complies with a recommendation of the panel;

the governing body shall reconsider the proposal's rejection. The decision of the charter school review panel is final and binding.

Chapter 4. The Charter

Sec. 1. A charter must do the following:

- (1) Be a written instrument.
- (2) Be executed by a sponsor and an organizer.
- (3) Confer certain rights, franchises, privileges, and obligations on a charter school.
- (4) Confirm the status of a charter school as a public school.
- (5) Be granted for:
 - (A) not less than three (3) years; and
 - (B) a fixed number of years agreed to by the governing body and the organizer.
- (6) Provide for:
 - (A) a review by the sponsor of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect; and
 - (B) renewal, if the sponsor and the organizer agree to renew the charter.
- (7) Specify the grounds for the sponsor to:
 - (A) revoke the charter before the end of the term for which the charter is granted; or
 - (B) not renew a charter.
- (8) Set forth the methods by which the charter school is held accountable for achieving the educational mission and goals of the charter school, including the following:
 - (A) Evidence of improvement in assessment measures, attendance rates, and graduation rates (if appropriate), and increased numbers of academic honors diplomas.







- (B) Evidence of progress toward reaching the educational goals set by the sponsor.
- (9) Describe the method to be used to monitor the charter school's:
 - (A) compliance with applicable law; and
 - (B) performance in meeting targeted educational performance.
- (10) Specify that the sponsor and the organizer may amend the charter during the term of the charter by mutual consent and describe the process for amending the charter.
- (11) Describe specific operating requirements, including all of the matters set forth in the application for the charter.
- (12) Specify a date when the charter school will:
 - (A) begin school operations; and
 - (B) have students in attendance at the charter school.
- (13) Specify that records of a charter school relating to the school's operation and charter are subject to inspection and copying to the same extent that records of a public school are subject to inspection and copying under IC 5-14-3.
- (14) Specify that records provided by the charter school to the department or sponsor that relate to compliance by the operator with the terms of the charter or applicable state or federal laws are subject to inspection and copying in accordance with IC 5-14-3.
- (15) Specify that the charter school is subject to the requirements of IC 5-14-1.5.

Chapter 5. Student Admissions and Enrollment

- Sec. 1. Except as provided in this chapter, a charter school must be open to any student who resides in:
 - (1) the school corporation in which the charter school is located, for a charter school sponsored by a single governing body; or
 - (2) one (1) of the school corporations that sponsors a regional charter school.
- Sec. 2. Except as provided in this chapter, a charter school may not establish admission policies or limit student admissions in any manner in which a public school is not permitted to establish admission policies or limit student admissions.
- Sec. 3. (a) Except as provided in subsections (b) and (c), a charter school must enroll any eligible student who submits a timely application for enrollment.
 - (b) This subsection applies if the number of applications for a



program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a charter school receives a greater number of applications than there are spaces for students, each timely applicant must be given an equal chance of being admitted.

- (c) A charter school may limit new admissions to the charter school to:
 - (1) ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years; and
 - (2) allow the siblings of a student who attends a charter school to attend the charter school.
- Sec. 4. A charter school shall periodically provide information to the parents of students in the school corporation concerning the opportunity for students to enroll in the charter school. The charter school shall design and deliver this information in a manner to reach the parents of all students, including at risk students.
- Sec. 5. (a) This section applies to a student who does not have legal settlement (as defined in IC 20-8.1-1-7.1) in a school corporation that is the sponsor of a charter school or a regional charter school that the student's parent wishes the student to attend.
- (b) A student may enroll in any charter school or regional charter school in Indiana if the following requirements are met:
 - (1) The student's parent does the following:
 - (A) Requests that the student be admitted to enroll in the charter school or regional charter school.
 - (B) Agrees to provide and pay for transportation of the student to and from the charter school or regional charter school.
 - (2) The following jointly agree to enroll the student in the charter school or regional charter school:
 - (A) The governing body of the school corporation where the student has legal settlement.
 - (B) The governing body of the school corporation that sponsors the charter school or regional charter school.
 - (C) The principal of the charter school or regional charter school.
 - (c) The following apply to a student described in subsection (a):
 - (1) A school corporation is not required to provide transportation for the student to attend the charter school or



- regional charter school.
- (2) Neither the student nor the student's parent is required to pay transfer tuition for the student to attend the charter school or regional charter school.
- (3) The transferor school corporation in which the student has legal settlement shall pay the student's transfer tuition to the charter school.
- (4) A transfer becomes effective on a date jointly determined by the parent and the affected school corporations.

Chapter 6. Employment

- Sec. 1. (a) Teachers who work at a charter school are employees of the charter school.
- (b) A charter school may contract for services only to the same extent that any other public school may contract for services.
- Sec. 2. Individuals shall choose to be teachers at a charter school voluntarily, and a charter school shall choose such individuals to be its teachers voluntarily.
- Sec. 3. Teachers of a charter school may organize and bargain collectively under IC 20-7.5.
- Sec. 4. After the conversion, teachers in a conversion charter school established under IC 20-5.5-11 may elect under IC 20-7.5 to:
 - (1) remain a part of the bargaining unit of the sponsor; and
 - (2) be subject to all the provisions of the collective bargaining agreement.
- Sec. 5. Not less than one hundred percent (100%) of the teachers in a charter school must hold a license to teach in a public school.
 - Sec. 6. (a) A charter school shall participate in the following:
 - (1) The Indiana state teachers' retirement fund in accordance with IC 21-6.1.
 - (2) The public employees' retirement fund in accordance with IC 5-10.3.
- (b) A person who teaches in a charter school is a member of the Indiana state teachers' retirement fund. Service in a charter school is creditable service for purposes of IC 21-6.1.
 - (c) A person who:
 - (1) is a local school employee of a charter school; and
 - (2) is not eligible to participate in the Indiana state teachers' retirement fund;

is a member of the public employees' retirement fund.

(d) The boards of the Indiana state teachers' retirement fund and the public employees' retirement fund shall implement this section through the organizer of the charter school.









Sec. 7. The decision by a sponsor whether to grant a charter shall not be subject to restraint by the collective bargaining agreement.

Sec. 8. As a school corporation grants a charter to a charter school and individuals choose and are chosen by the charter school to teach in the charter school, the school corporation may make personnel adjustments among its teachers in its noncharter schools that it believes are necessary or appropriate to match existing resources with existing needs in its noncharter schools. If, as part of such adjustments, the school corporation eliminates a teaching position within the corporation, the legal or contractual provisions, if any, otherwise applicable to a teacher in one (1) of its noncharter schools whose contract with the school corporation is canceled as a result of the elimination of the position within the school corporation shall continue to apply to that teacher.

Sec. 9. The governing body must grant a transfer of not more than five (5) years to a teacher of a noncharter school in the school corporation who wishes to teach and has been accepted to teach at a charter school within the school corporation or a regional charter school of which the governing body is a sponsor. During the term of the transfer:

- (1) the teacher's seniority status under law continues as if the teacher were an employee of a noncharter school in the school corporation; and
- (2) the teacher's years as a charter school employee shall not be considered for purposes of permanent or semipermanent status with the school corporation under IC 20-6.1-4.

Chapter 7. Fiscal Matters

- Sec. 1. (a) The organizer is the fiscal agent for the charter school.
 - (b) The organizer has exclusive control of:
 - (1) funds received by the charter school; and
 - (2) financial matters of the charter school.
- (c) The organizer shall maintain separate accountings of all funds received and disbursed by the charter school.

Sec. 2. For purposes of computing:

- (1) state tuition support; or
- (2) state funding for any purpose;

a charter school student is counted in the same manner as a student of the school corporation where the charter school student resides.

Sec. 3. (a) This section applies to a charter school that has a governing body as sponsor of the school.









- (b) The governing body shall distribute the following to the organizer:
 - (1) A proportionate share of tuition support and any other funding received from the state for the students enrolled in the charter school.
 - (2) A proportionate share of state and federal funds received for students with disabilities or staff services for students with disabilities for the students with disabilities enrolled in the charter school.
 - (3) A proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state aid enrolled in the charter school.
 - (4) A proportionate share of local support for the students enrolled in the charter school.
- Sec. 4. (a) Not later than the date established by the department for determining average daily membership under IC 21-3-1.6-1.1(d), the organizer shall submit to the governing body of the school corporation in which the charter school is located a report of the total number of students enrolled in the charter school. Upon receipt of the report, the governing body shall distribute to the organizer a proportionate share of federal, state, and local support for the students enrolled in the charter school on the same schedule that the school corporation receives the funds or on a schedule agreed to by the sponsor and the organizer.
- (b) This subsection applies to a regional charter school. The governing body of the school corporation in which the charter school is located shall assess the other sponsoring governing bodies an amount equal to the approved per pupil revenues for the students of the other school corporations that attend the regional charter school. The other sponsoring governing bodies shall transfer the revenues to the governing body of the school corporation in which the charter school is located on the same schedule as the sponsoring school corporations receive the revenue or on a schedule agreed to by the sponsoring governing bodies.
- Sec. 5. Services that a school corporation provides to a charter school, including transportation, may be provided at not more than one hundred three percent (103%) of the actual cost of the services.
- Sec. 6. An organizer may apply for and accept for a charter school:
 - (1) independent financial grants; or
 - (2) funds from public or private sources other than the department.









Chapter 8. Powers and Exemptions

Sec. 1. A charter school may do the following:

- (1) Sue and be sued in its own name.
- (2) For educational purposes, acquire real and personal property or an interest in real and personal property by purchase, gift, grant, devise, or bequest.
- (3) Convey property.
- (4) Enter into contracts in its own name, including contracts for services.

Sec. 2. A charter school may not do the following:

- (1) Operate at a site or for grades other than as specified in the charter.
- (2) Charge tuition to any student attending the charter school that is in excess of the tuition currently allowed under law, or impose any mandatory fees upon a student enrolled in the charter school in preschool special education or in kindergarten through grade 12. However, a charter school may:
 - (A) charge fees for the same items or services that a noncharter public school in the school corporation in which the charter school is located may charge fees; and (B) charge tuition for:
 - (i) a preschool program, unless charging tuition for the preschool program is barred under federal law; or
 - (ii) a latch key program;

if the charter school provides those programs.

- (3) Be located in a private residence.
- (4) Provide homeschool instruction.
- Sec. 3. For each charter school established under this article, the charter school and the organizer are accountable to the sponsor for ensuring compliance with:
 - (1) applicable federal and state laws;
 - (2) the charter; and
 - (3) the Constitution of the State of Indiana.
- Sec. 4. Except as specifically provided in this article and the statutes listed in section 5 of this chapter, the following do not apply to a charter school:
 - (1) Any Indiana statute applicable to a governing body or school corporation.
 - (2) A rule or guideline adopted by the Indiana state board of education.
 - (3) A local regulation or policy adopted by a school



corporation unless specifically incorporated in the charter.

- Sec. 5. The following statutes and rules and guidelines adopted under the following statutes apply to a charter school:
 - (1) IC 20-1-1.5 (unified accounting system).
 - (2) IC 20-1-6 (special education).
 - (3) IC 20-5-2-3 (subject to laws requiring regulation by state and federal agencies).
 - (4) IC 20-6.1-4-15 (void teacher contract when two (2) contracts are signed).
 - (5) IC 20-6.1-6-11 (nondiscrimination for teacher marital status).
 - (6) IC 20-6.1-6-13 (teacher freedom of association).
 - (7) IC 20-6.1-6-15 (school counselor immunity).
 - (8) IC 20-8.1-3 (compulsory education).
 - (9) IC 20-8.1-5.1-13, IC 20-8.1-5.1-15, and IC 20-8.1-5.1-15.5 (student due process and judicial review).
 - (10) IC 20-8.1-7 and IC 20-8.1-8 (health and safety measures).
 - (11) IC 20-8.1-9-3 (exemption from school fees for eligible families and fee reimbursement).
 - (12) IC 20-8.1-9-5 (notice to parents concerning financial assistance).
 - (13) IC 20-8.1-12 (reporting of student violations of law).
 - (14) IC 20-10.1-2-4 and IC 20-10.1-2-6 (patriotic commemorative observances).
 - (15) IC 20-10.1-16, IC 20-10.1-17, or any other statute, rule, or guideline related to standardized testing (assessment programs, including remediation under the assessment programs).
 - (16) IC 20-10.1-22.4 (parental access to education records).
 - (17) IC 5-11-1-9 (requiring audit by state board of accounts).
- Sec. 6. A charter school is subject to bidding and wage determination laws and all other statutes and rules that apply to the construction of a public school.
- Sec. 7. A charter school may not duplicate the following programs if the programs are established in another school in the school corporation:
 - (1) A cooperative program established under IC 20-10.1-6-7.
 - (2) An apprenticeship program other than the program specified in subdivision (1).

Chapter 9. Oversight and Revocation

Sec. 1. An organizer that has established a charter school shall submit an annual report to the department for informational and











research purposes.

- Sec. 2. An annual report under this chapter must contain the following information for a charter school:
 - (1) Results of all standardized testing.
 - (2) A description of the educational methods and teaching methods employed.
 - (3) Daily attendance records.
 - (4) Graduation statistics.
 - (5) Student enrollment data, including the following:
 - (A) The number of students enrolled.
 - (B) The number of students expelled.
 - (C) The number of students who discontinued attendance at the charter school and the reasons for the discontinuation.
- Sec. 3. The sponsor shall oversee a charter school's compliance with:
 - (1) the charter; and
 - (2) all applicable law.
- Sec. 4. Notwithstanding the provisions of the charter, a sponsor that grants a charter may revoke the charter at any time before the expiration of the term of the charter if the sponsor determines that at least one (1) of the following occurs:
 - (1) The organizer fails to comply with the conditions established in the charter.
 - (2) The charter school established by the organizer fails to meet the educational goals set forth in the charter.
 - (3) The organizer fails to comply with all applicable laws.
 - (4) The organizer fails to meet generally accepted government accounting principles.
 - (5) One (1) or more grounds for revocation exist as specified in the charter.
- Sec. 5. A charter school shall report the following to the sponsor:
 - (1) Attendance records.
 - (2) Student performance data.
 - (3) Financial information.
 - (4) Any information necessary to comply with state and federal government requirements.
 - (5) Any other information specified in the charter.
- Sec. 6. The organizer of a charter school shall publish an annual performance report that provides the information required under IC 20-1-21-8 in the same manner that a school corporation







publishes an annual report under IC 20-1-21.

Chapter 10. Student Transfers From Charter Schools

- Sec. 1. A public noncharter school that receives a transfer student from a charter school may not discriminate against the student in any way, including placing the student:
 - (1) in an inappropriate age group according to the student's ability;
 - (2) below the student's abilities; or
 - (3) in a class where the student has already mastered the subject matter.

Chapter 11. Conversion of Existing Schools Into Charter Schools

- Sec. 1. An existing public elementary or secondary school may be converted into a charter school if the following conditions apply:
 - (1) At least sixty-seven percent (67%) of the teachers at the school have signed a petition requesting the conversion.
 - (2) At least fifty-one percent (51%) of the parents of students at the school have signed a petition requesting the conversion.
- Sec. 2. The organizers shall submit a proposal under IC 20-5.5-3 to convert an existing school to a charter school.
- Sec. 3. A conversion charter school must permit the parents of a student who was enrolled in the school before the school's conversion to a charter school to:
 - (1) remain in the school: or
 - (2) enroll in another school in the school corporation.

Chapter 12. Regional Charter Schools

- Sec. 1. The governing bodies of two (2) or more school corporations may grant a charter to an organizer to operate a regional charter school under this article.
- Sec. 2. An organizer may submit to the governing bodies of two (2) or more school corporations a proposal to establish a regional charter school. A proposal must contain, at a minimum, the following information:
 - (1) Identification of the organizer.
 - (2) A description of the organizer's organizational structure and governance plan.
 - (3) The following information for the proposed regional charter school:
 - (A) Name.
 - (B) Purposes.
 - (C) Governance structure.
 - (D) Management structure.

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- (E) Educational mission goals.
- (F) Curriculum and instructional methods.
- (G) Methods of pupil assessment.
- (H) Admission policy and criteria, subject to IC 20-5.5-5.
- (I) School calendar.
- (J) Age or grade range of pupils to be enrolled.
- (K) A description of staff responsibilities.
- (L) A description and the address of the physical plant.
- (M) Budget and financial plans.
- (N) Personnel plan, including methods for selection, retention, and compensation of employees.
- (O) Transportation plan.
- (P) Discipline program.
- (Q) Plan for compliance with any applicable desegregation order.
- (R) The date when the regional charter school is expected to:
 - (i) begin school operations; and
 - (ii) have students in attendance at the regional charter school.
- (S) The arrangement for providing teachers and other staff with health insurance, retirement benefits, liability insurance, and other benefits.
- (T) A proposed time line that identifies specific activities to achieve the goals of the charter school.
- (4) A statement that the regional charter school will comply with:
 - (A) this article; and
 - (B) federal and state laws applicable to public bodies or school corporations.
- (5) Identification of the school corporation where the regional charter school will be located.
- (6) The compensation that the school corporations shall pay to the organizer, including the percentage of compensation provided by each school corporation.
- (7) The manner in which an annual audit of the programmatic operations of the regional charter school is to be conducted by the governing bodies.
- Sec. 3. (a) The governing bodies of each school corporation that has granted a charter for a regional charter school must act jointly to revoke the charter of a regional charter school that does not by the date specified in the charter:







- (1) begin school operations; and
- (2) have students in attendance at the regional charter school.
- (b) If the governing body of one (1) school corporation that has granted a charter for a regional charter school wishes to cease participation in a regional charter school, the governing bodies of the school corporations that wish to continue participation in a regional charter school must grant a new charter to an organizer to operate a regional charter school under this article.
- Sec. 4. (a) Each governing body must notify the department of the following concerning a regional charter school:
 - (1) The receipt of a proposal.
 - (2) The acceptance of a proposal.
 - (3) The rejection of a proposal, including the reasons for the rejection, the number of members of the governing body favoring the proposal, and the number of members of the governing body not favoring the proposal.
 - (b) The department shall annually do the following:
 - (1) Compile the information received under subsection (a) into a report.
 - (2) Submit the report to the general assembly.
- Sec. 5. A proposal to establish a regional charter school must be approved by a majority of the members of each governing body to which the proposal was submitted.
 - Sec. 6. (a) This section applies if:
 - (1) a governing body rejects a proposal to establish a regional charter school; and
 - (2) at least one-third (1/3) of the members of each governing body to which the proposal was submitted favor the proposal as evidenced by the minutes of each governing body.
- (b) The organizer may appeal the decision of the governing bodies to the charter school review panel created under subsection (c).
- (c) The charter school review panel is created. The members of the panel are the superintendent of public instruction and two (2) members of the board who are appointed by the superintendent of public instruction.
- (d) Upon the request of an organizer, the panel shall meet to consider the organizer's proposal and the governing bodies' reasons for rejecting the proposal. The panel must allow the organizer and governing bodies to participate in the meeting.
- (e) Following a meeting under subsection (d), the panel shall issue an advisory opinion to the organizer and the governing bodies









that:

- (1) supports the governing bodies' rejection of the proposal;
- (2) recommends that the governing bodies approve the proposal; or
- (3) recommends that the organizer amend the proposal and the governing bodies approve the amended proposal.

The panel shall issue the advisory opinion not later than forty-five (45) days after the panel receives the request for review.

- (f) Not later than forty-five (45) days after:
 - (1) receiving a recommendation from the panel to approve a proposal; or
 - (2) receiving an amended plan from the organizer that complies with a recommendation of the panel;

the governing bodies shall reconsider the proposal's rejection. The decision of the charter school review panel is final.

Sec. 7. A governing body must include a regional charter school in which the school corporation participates when complying with public notice requirements affecting public schools.

Chapter 13. Limitations on Establishing Charter Schools

- Sec. 1. In establishing charter schools, a governing body shall give priority to the consideration of applications for charter schools designed to increase the educational opportunities of at-risk students.
- Sec. 2. The following limitations apply to the number of charter schools that may be established:
 - (1) Not more than ten (10) charters may be granted before January 1, 2001, and not more than ten (10) additional charters may be granted before January 1, 2002.
 - (2) Not more than sixty (60) charter schools may be established in Indiana. Of the sixty (60) charter schools, at least sixteen (16) must be designed to increase the educational opportunities of at-risk students.
 - (3) Not more than two (2) charter schools may be established in a school corporation that has an average daily membership of twenty thousand (20,000) students or less.
 - (4) Not more than four (4) charter schools may be established in a school corporation that has an average daily membership of more than twenty thousand (20,000) students.
- Sec. 3. This chapter does not prohibit a school corporation that has only one (1) school in the school corporation from granting a charter to convert the school into a charter school.
 - Sec. 4. (a) A governing body that grants a charter school











application shall report the action to the department and specify whether the charter school is designed to increase the educational opportunities of at-risk students.

(b) The department shall promptly notify the governing body of each school corporation when the limits on the number of charter schools set forth in this chapter are reached."

Delete pages 2 through 13.

Page 14, delete lines 1 through 18.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 481 as reprinted February 19, 1999.)

PORTER, Chair

Committee Vote: yeas 10, nays 4.





HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 481 be amended to read as follows:

Page 4, delete line 34, begin a new paragraph, and insert:

"(c) Nothing".

Page 4, line 35, delete "bargain collectively under IC 20-7.5, nothing".

Page 6, delete lines 4 through 33.

Page 9, delete lines 40 through 41, begin a new paragraph, and insert:

"Sec. 4. Teachers in a charter school are:".

Page 9, line 42, delete "remain".

Page 10, line 1, delete "be".

Page 10, line 22, delete "shall not be" and insert "is".

Page 18, delete lines 2 through 35.

Page 18, line 36, delete "7." and insert "6.".

Page 19, line 7, delete "sixty (60)" and insert "twenty (20)".

Page 19, line 8, delete "sixty (60)" and insert "twenty (20)".

Page 19, line 9, delete "sixteen (16)" and insert "ten (10)".

(Reference is to ESB 481 as printed April 6, 1999.)

PORTER



